Department of Finance

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News Release

Immediate release

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Canada Savings Bonds Rates Announced

The Department of Finance today announced interest rates for Canada Savings Bond (CSB) Series 102 and Canada Premium Bond (CPB) Series 52, which are on sale from today until November 1, 2006, inclusive.

CSB Series 102 and CPB Series 52, with 10-year terms to maturity, will carry interest rates as follows:

	Canada Savings Bond Series 102		**Canada Premium Bond Series 52**	
Interest rates for year beginning	Annual interest rate	Annual rate of return if held to November 1 of the following year	Annual interest rate	Annual compound rate of return if held to November 1 of the following year
Nov. 1, 2006	3.00%	3.00%	3.15%	3.15%
Nov. 1, 2007	TBA	TBA	3.25%	3.19%
Nov. 1, 2008	TBA	TBA	3.35%	3.24%

CSB interest rates may be increased if market conditions warrant. The CSB can be cashed at any time.

The Department also announced today that the maturity date of November 1, 2006, on CSB Series 49 (November 1, 1994) has been extended to November 1, 2016. Canada Investment Bond Series 1 (November 1, 2003) will mature on November 1, 2006, as scheduled.

Outstanding CSB Series 46 (November 1, 1991), CSB Series 47 (November 1, 1992), CSB Series 48 (November 1, 1993), CSB Series 49 (November 1, 1994), CSB Series 50 (November 1, 1995), CSB Series 51 (November 1, 1996), CSB Series 52 (November 1, 1997), CSB Series 54 (November 1, 1998), CSB Series 60 (November 1, 1999), CSB Series 66 (November 1, 2000), CSB Series 72 (November 1, 2001), CSB Series 78 (November 1, 2002), CSB Series 84 (November 1, 2003), CSB Series 90 (November 1, 2004) and CSB Series 96 (November 1, 2005) will carry the same rate as that announced for CSB Series 102 for the bond year November 1, 2006, to October 31, 2007.

CPB interest rates posted for years one through three are guaranteed and may be increased up until the issue date if market conditions warrant. Once the issue date has passed, no changes to the posted interest rates will be made. The CPB is redeemable once a year on the anniversary of the issue date and during the 30 days thereafter.

Canadians should be aware that while the CSB and the CPB have a 10-year term to maturity, interest rates are often announced for a shorter period and remain in effect for that announced period. At the end of that period, new rates will be announced by the Minister of Finance based on the then prevailing market conditions.

Further details on the terms and conditions of the CSB and CPB are available at www.csb.gc.ca.

CSB Series 102 and CPB Series 52, together with their no-fee retirement plan options, are available for purchase online at www.csb.gc.ca, by phone toll-free at 1-888-773-9999 (Monday to Friday, 8 a.m. to 8 p.m. Eastern Time), or wherever Canadians bank or invest. CSB Series 102 is also available to employees of 12,000 employers across Canada through the Payroll Savings Program.

Persons interested in receiving interest rate information for the CSB and the CPB may enquire at financial institutions, visit www.csb.gc.ca, call toll-free at 1-800-575-5151, or subscribe to an automatic e-mail notification service at www.csb.gc.ca/enews.htm. Those who already subscribe to the e-newsletter service are not required to re-register to receive these automatic notifications.

The December 1, 2006, series of the CSB and the CPB are expected to be on sale November 2, 2006. As in the past, the Minister of Finance reserves the right to terminate sales at any time.

For further information, media may contact:

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